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FM AMEMBASSY STOCKHOLM
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4450
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE

UNCLAS STOCKHOLM 000385

OES PLESE PASS TO S/E TODD STERN, JONATHAN PERSHING, AND CLIMATE TEAM

SIPDIS

SENSITIVE

E.O. 12958: N/A

TAGS: <u>SENV KGHG PREL ECON SW</u>

SUBJECT: SWEDISH CLIMATE OFFICIALS EAGER TO WORK WITH OUR EXPERTS TOWARDS JOINT POSITIONS

- 11. (SBU) Summary: On June 17, Svante Bodin, Director at the Swedish Environment Ministry's Climate division told us the Bonn UNFCCC negotiations made progress in some areas, but more importantly did not suffer any setbacks. He appeared eager to work with Pershing and other experts to arrive at joint U.S.-EU positions, e.g., on mitigation targets for the developing world. End summary.
- 12. (U) CDA and Embassy staff met Svante Bodin, Director, and Katja Awiti, Deputy Director, of the Division for Environmental Quality at the Environment Ministry, on June 17 to get the Swedish readout on the Bonn negotiations, and what lies ahead. Bodin's macro-view on Bonn is that not much progress was made, but that it importantly was not a step back. Among the successes is work in the long-term cooperative action working group -- where they even started the second reading.
- 13. (SBU) Bodin told us that he and Jonathan Pershing got together in Bonn, discussing the U.S.-EU expert level talks, scheduled to take place on July 20-21. The talks, which might take place via DVC, will cover economic analysis, comparability, pathways and other topics in the mitigation field. Bodin will coordinate in advance with the EU troika and possibly some additional experts for this meeting. Bodin proposed as a possible U.S.-EU topic for this meeting would be joint calculations of mitigation goals for the developing countries -- i.e. what common goal should the EU and the U.S. push China for?
- 14. (SBU) CDA raised the comparability discussion, to which Bodin replied that it is hard to evaluate comparability. Assessments of emissions reductions for the U.S. range from 0-23 percent, and he cited the World Resource Institute's recent study on the high end of what the Waxman/Markey bill would deliver. The higher figure takes into account CDM's, Joint Implementation, and other measures abroad, and so-called red credits to avoid deforestation. When discussing the Waxman/Markey Bill, Bodin commented that the process, thus far, has been remarkably fast.
- 15. (SBU) Bodin also spoke of Swedish views of mid-term targets, and the hope for agreement on a global peak by 2020; perhaps with the differentiation of peak 2015 for the developed world and 2030 for the developing. Bodin commented that Annex 1 countries have already peaked, in part due to the financial crisis, so that the peak year will be entirely in the hands of the developing world.
- 16. (SBU) We discussed the U.S. focus on China, which according to Bodin is understandable given Congress' interest in seeing China undertake comparable efforts. The Chinese undertaking is also important to the EU, as China must commit to limitations, else we will not achieve the 2 degree Celsius goal. Also, China's per capita emissions (6 tons/year, 2007 figures) already places China at the low end of EU-emitters -- so China's arguments are quickly dwindling, according to Bodin.

- ¶7. (SBU) One of the hot topics in Bonn was the historical responsibility discussion. Bodin noted that the historical responsibility arguments (as raised by Bolivia, China and India) are not supported by the convention texts. He opined that the developed world must help demonstrate the decoupling of emissions reduction and economic growth, and help demonstrate alternative technologies to generate growth. The Chinese show considerable interest in all technology transfer discussions, which can be helpful in addressing the historical responsibility arguments.
- 18. (SBU) Comment: Bodin, at least in this meeting, was very forthcoming and eager to work with our climate experts towards joint positions vis-`-vis China. End comment.

SILVERMAN